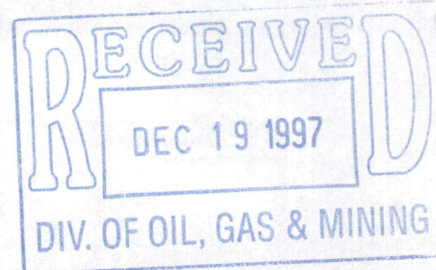


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/97 To (mo./yr.) 1/98
2. DOGM File Number (Mine No): M/021/004
3. Mine Name: ESCALANTE SILVER MINE
4. Mineral(s) Mined (or permitted to mine): NONE - MINE CLOSED
5. Type of mine ☐ Surface Mine or ☒ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, 1/4, SE 1/4, Section 2, Township 36 S, Range 17 W
1/4, 1/4, 1/4, Section, Township, Range
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: HECLA MINING CO.
8. Permanent Street Address: 6500 MINERAL DR.
City, State, Zip: COEUR D ALENE, IDAHO 83815
Phone: (208) 769-4100
9. Company Representative (or designated operator):
Name: ALAN WILSON
Title: SENIOR RECLAMATION ENGINEER
Business Address: 6500 MINERAL DR.
City, State, Zip: COEUR D ALENE, ID 83814
Phone: (208) 769-4157
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☐ No ☒
2. If active, how much ore or mineral was mined? _____
3. If inactive, what year was the mine last active? 1990

3. How much **additional acreage** was disturbed during the past year? NONE
4. Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.

N/A

5. How much acreage was **reclaimed** during the past year? 0
6. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

TAILINGS POND UNDERDRAIN WAS SEALED WITH BENTONITE

7. What is the **total disturbed acreage** at years end? 30
8. Briefly summarize any mining and/or reclamation plans for the upcoming year.

MAINTENANCE AS REQUIRED

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

ALAN WILSON

Title of Operator:

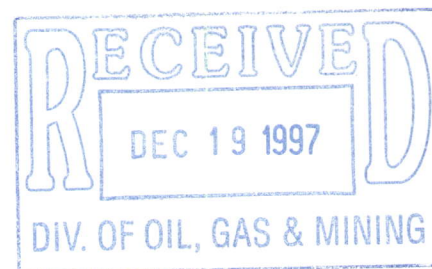
SENIOR RECLAMATION ENGINEER

Signature of Operator:

Alan Wilson

Date:

12/15/97



December 15, 1997

Mr. D. Wayne Hedberg
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Escalante Silver Mine 1997 Annual Report – M/021/004

Dear Mr. Hedberg:

Enclosed please find a copy of the 1997 Annual Report for Hecla Mining Company's Escalante Unit.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Alan Wilson".

Alan Wilson
Senior Reclamation Engineer

